Decision 02-11-054 November 21, 2002

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (SDG&E) for Approval of Evaluative Criteria for SDG&E's Distribution Performance-Based Ratemaking Mechanism (U 902-M).

Application 00-06-051 (Filed June 3, 2000)

DECISION DISMISSING APPLICATION

As required by Decision (D.) 99-05-030, SDG&E filed this application to request approval of evaluative criteria for its distribution performance-based ratemaking (PBR) mechanism. No protests to the application were received. SDG&E requested that the parties participate in a workshop to further discuss potential evaluative criteria. Energy Division hosted a workshop and prepared and filed a workshop report on December 13, 2000.

The workshop report described the discussion that occurred but noted that no concrete changes to existing PBR criteria were recommended. The workshop report indicated that Energy Division would review the various concerns raised during the workshop in its comprehensive review of SDG&E's PBR mechanism that was scheduled for completion by the end of 2001. No comprehensive review of SDG&E's PBR has been conducted. However, a resolution addressing SDG&E's year 2000 PBR performance was adopted on August 22, 2002 (G-3327) and a review of SDG&E's 2001 PBR performance is underway.

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Based on the results of the workshop, it appears that no purpose would be served by adopting additional evaluative criteria at this time and, therefore, we should dismiss the application without prejudice. If SDG&E applies for a continuation of PBR ratemaking treatment beyond the current term of its PBR mechanism, the question of the appropriate evaluative criteria should be revisited.

Comments on Draft Decision

The draft decision of the Administrative Law Judge (ALJ) in this matter was mailed to the parties in accordance with Pub. Util. Code § 311(g)(1) and Rule 77.7 of the Rules of Practice and Procedure. No comments were received.

Assignment of Proceeding

Carl Wood is the Assigned Commissioner and Angela Minkin is the assigned ALJ in this proceeding.

Finding of Fact

No concrete changes to existing PBR criteria were recommended at the workshop.

Conclusions of Law

- 1. No purpose would be served to adopt additional evaluative criteria at this time.
 - 2. We should dismiss the application without prejudice.

IT IS ORDERED that:

- 1. This proceeding is dismissed without prejudice.
- 2. This proceeding is closed.

This order is effective today.

Dated November 21, 2002, at San Francisco, California.

LORETTA M. LYNCH President HENRY M. DUQUE CARL W. WOOD MICHAEL R. PEEVEY Commissioners

Commissioner Geoffrey F. Brown, being necessarily absent, did not participate.